Supreme Court, U.S.
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No. 90-1429

In The

Supreme Court of the United States

October Term, 1990

ERIC C. RAJALA, Trustee in Bankruptcy for GENERAL POLY CORPORATION,

Petitioner,

v.

ALLIED CORPORATION,

Respondent.

On Petition For A Writ Of Certiorari To The United States Court Of Appeals For The Tenth Circuit

BRIEF FOR RESPONDENT IN OPPOSITION

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QUESTIONS PRESENTED*

In respondent's view, the questions sought to be presented by petitioner, correctly restated with respect to this record, are as follows:

1. Whether, in this highly fact-specific diversity of citizenship case, the court of appeals erred in unanimously deciding that there was not sufficient evidence of a fiduciary relationship, under applicable Kansas law, to submit the claim to the jury.

2. Whether, when it unanimously reversed and directed that judgment be entered for respondent notwithstanding the verdict, the court of appeals was required instead to remand to the district court for a determination of whether a new trial should be granted to petitioner; and, in any event, whether petitioner properly presented and preserved this question.

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* Pursuant to Supreme Court Rule 29.1, respondent states that before September 30, 1987, Allied Corporation, formerly known as Allied Chemical Corporation, was a wholly-owned subsidiary of The Signal Companies, Inc., which in turn was a wholly-owned subsidiary of Allied-Signal Inc. On September 30, 1987, both of these subsidiaries were merged into the parent company, Allied-Signal Inc. Allied-Signal Inc. has no parent corporation. Its non-wholly-owned subsidiaries are listed in the Appendix to this brief.

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INTRODUCTION

This is a diversity of citizenship case which the court of appeals properly described as having a "complex factual history." Pet. App. A-7. The facts also are unique, and as petitioner concedes, Kansas law governs the outcome. No conflict between circuits exists or is even asserted. In its unanimous decision that plaintiff (petitioner here) did not furnish sufficient proof of a fiduciary relationship, the court of appeals examination of Kansas law was conscientious, careful and correct.

No issue of national importance is raised by the petition for certiorari. No purpose useful for judicial administration would be served by this Court's undertaking to review the body of Kansas law or the voluminous trial record that the court of appeals has already exhaustively considered. Moreover, the correctness of the court of appeals action here is underscored by this Court's decision in *Salve Regina College v. Russell*, 59 U.S.L.W. 4219, 4223 (U.S. Mar. 20, 1991) ("The obligation of responsible appellate review and the principles of a cooperative judicial federalism underlying *Erie* require that courts of appeals review the state-law determination of district courts *de novo*" and courts of appeals should not defer to any assumed local expertise of the district court). Petitioner's bare suggestion that the Tenth Circuit is in some way insensitive to the Seventh Amendment's guaranty of trial by jury is totally unsupported. Indeed, a glance at its recent opinions confirms that the Tenth Circuit is zealous in safeguarding the Seventh Amendment's guaranty.[1] Petitioner really seeks a second appellate review of an already well-decided question of Kansas law in a garden-variety diversity case with exceptionally complex facts not likely to be repeated or even paralleled.

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[1] *See, e.g., Dixon v. Richer*, 922 F.2d 1456, 1463 (10th Cir. 1991); *DeLoach v. Bevers*, 922 F.2d 618, 620-23 (10th Cir. 1990); *Dillon v. Fibreboard Corp.*, 919 F.2d 1488, 1490-92 (10th Cir. 1990); *Dugan v. EMS Helicopters, Inc.*, 915 F.2d 1428, 1430-31 (10th Cir. 1990).

For this Court to undertake such a duplicative review function would be wholly inconsistent with the principles governing this Court's discretionary jurisdiction on certiorari.

STATEMENT OF THE CASE

In this diversity case, petitioner Eric C. Rajala, bankruptcy trustee for General Poly Corporation ("General Poly"), asks the Court to conduct yet a second appellate review of a 6,000-page, 500-exhibit trial record and determine whether General Poly proved a jury case of fiduciary relationship under Kansas common law. As petitioner acknowledges, Pet. 4-5, this Court abandoned long ago the grant of certiorari to decide questions of sufficiency of the evidence; nothing in the petition warrants departure from this practice.

1. *Response to Petitioner's Factual Assertions.* General Poly claims that the parties shared the "common goal of developing a new product in the plastic film industry." Pet. 2. In fact, Allied's goal was to produce a certain film resin ("HMW resin"); General Poly's aim was to purchase HMW resin from Allied or any other producer, and then use the resin to manufacture plastic film for use in merchandise bags and garbage can liners. Pet. App. A-29. The film, bags and liners were the "new product" for which General Poly built its plant. Pet. 2.

General Poly fails to acknowledge that in September, 1979, the parties entered into a written contract (quoted by the Tenth Circuit at Pet. App. A-21 to A-24) (the "Contract"), by which Allied received a license to use General Poly's technology and General Poly received a first right to purchase the HMW resin if Allied succeeded in developing it. While General Poly claims that Allied "failed to supply promised raw materials," Pet. 2, both the district court and the court of appeals held that Allied had not breached the Contract. Pet. App. A-46 to A-50.

General Poly asserts that the parties "assisted each other by sharing expertise, personnel, financing and testing facilities." Pet. 2. This assertion ignores (a) the district

court's pre-trial ruling – from which General Poly did not appeal – that the parties had not formed a joint venture, Pet. App. A-193, and (b) the court of appeals' ruling that the evidence, when reviewed "in a manner most favorable to General Poly" showed at most "an arm's length commercial relationship," Pet. App. A-29.

General Poly alleges that Allied "fraudulently induced it to enter into a relationship," and "used and abused that deceptively-created relationship until Allied gained the market entry that it coveted." Pet. 2. In fact, the district court directed a verdict against General Poly on the fraudulent inducement claim and the court of appeals affirmed that decision. Pet. App. A-31 to A-40.[2] Both courts also concluded that General Poly's other allegations of fraud and conversion were without merit. Pet. App. A-40 to A-46. To the extent that General Poly's allegations concerning "coveted market entry" are intended to suggest that Allied had pursued some anticompetitive scheme, General Poly voluntarily dismissed its antitrust claims before trial.

General Poly asserts that Allied caused General Poly's financial woes. Pet. 2. General Poly was a newly-formed company when it signed the Contract, and its operations were beset by problems, ranging from substantial undercapitalization to serious mismanagement and deficient marketing efforts.[3] After its inevitable demise in 1981, General Poly sued Allied.

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[2] The district court expressly found that "there is no showing nor evidence whatsoever that at any point in time Allied ever intended to deceive anyone." T. 5682. The court of appeals expressed its doubts concerning the adequacy of General Poly's proof, Pet. App. A-37 to A-38, but chose to affirm on statute of limitations grounds, *id.* A-38 to A-40.

[3] Allied raised the issue of causation before the Tenth Circuit, which did not reach the issue. It is one of the many additional grounds available to Allied to support the reversal of the district court's judgment. *See infra* at 7 n.5.

2. *District Court Proceedings.* General Poly initially asserted thirteen claims, including breach of written, oral and quasi contract, fraud, unjust enrichment, breach of an oral joint venture agreement, conversion, breach of fiduciary duty, and violations of the antitrust laws. Each of these claims, except the fiduciary duty claim, was either abandoned by General Poly or dismissed by the district court on Allied's motions for summary judgment or directed verdict.

The district court described the fiduciary duty claim as one for breach of a supposed fiduciary duty to "accommodate" a business colleague. Pet. App. A-57 (Memorandum and Order denying Allied's motion for judgment n.o.v.). In the district court's view, even though Allied had not breached the Contract, the jury could consider whether Allied had breached the Contract " 'as fiduciaries.' " *Id.* A-75. The district court acknowledged that it was *sua sponte* improvising the nature of the claim, *i.e.*, a fiduciary duty to "accommodate a colleague," as a matter of first impression and without precedent. T. 4552; *see also* Transcript of Hearing on Allied's motion for judgment n.o.v., Doc. 728, 2/25/87, at 33-35. These serious errors of Kansas law were repeated in the jury instructions, which, in turn, resulted in the jury's verdict for General Poly of more than $10 million in compensatory damages and $60 million in punitive damages.[4] The district court denied Allied's Motion for Judgment Notwithstanding the Verdict or, In the Alternative, for a New Trial. Pet. App. A-54 to A-161.

3. *Court of Appeals Decision.* The court of appeals held that the district court erred in denying Allied's motion for judgment n.o.v., because General Poly had failed, as a matter of law, to prove a fiduciary relationship under the controlling Kansas decisions. Pet. App. A-31. The Tenth Circuit applied the well-established standard

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[4] Allied's appeal challenged the propriety of both the compensatory and the punitive damages awards, but the Tenth Circuit did not reach these issues. *See infra* at 7 n.5.

of appellate review of a district court's denial of a motion for judgment n.o.v., noting that the analysis had to be "frame[d] . . . in terms of the underlying burden of proof." Pet. App. A-12 to A-13, citing *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 252 (1986). The court of appeals did not, as General Poly now asserts, Pet. 3, base its decision solely on the absence of proof that Allied had "consciously assumed" any alleged fiduciary duties. The court of appeals also held that General Poly had not shown by clear and convincing evidence that Allied (a) had acted primarily for the benefit of General Poly; (b) possessed any extraordinary influence over General Poly; or (c) held any control over General Poly's property, interest, or authority – elements that the court of appeals found to be key indicia of fiduciary relationships under Kansas law. Pet. App. A-29.

As Judge Ebel said, writing for the court of appeals:

> After carefully reviewing the evidence presented at trial, and viewing that evidence most favorably to General Poly (with all inferences drawn in its favor), we are unable to affirm the district court's ruling denying Allied's motion for judgment notwithstanding the verdict. Our review of the record does not disclose any sufficient evidence upon which a reasonable jury could properly conclude that General Poly had established the existence of a fiduciary relationship with Allied. Although we would reach this conclusion even if General Poly was required only to show the relationship by a simple preponderance of the evidence under Kansas law, our holding is compelled all the more strongly because under Kansas law General Poly was obligated to prove the fiduciary relationship by clear and convincing evidence.

Pet. App. A-27 to A-28. Because the court of appeals found that no fiduciary relationship had been proven, it did not reach the myriad other infirmities in the judgment, many of which independently would have required reversal. The Tenth Circuit denied General Poly's Petition

for Rehearing and Suggestion for Rehearing En Banc on December 14, 1990.

REASONS FOR DENYING CERTIORARI

The court of appeals decision rests on a straightforward application of well-established Kansas law principles to a voluminous trial record, all of which was viewed in the light most favorable to General Poly. This narrow, fact-bound decision of state law raises no issue of general importance and poses no conflict with any decision of this Court, any other court of appeals or indeed, any Kansas appellate court. Moreover, General Poly seeks review based on issues not raised in the court of appeals, and ignores other bases for the court of appeals decision that there was no fiduciary relationship – each of which, alone, is sufficient to support the court of appeals decision. If review were called for in this case, then it would be called for in every diversity case in which the court of appeals reverses on state law grounds a district court's denial of judgment n.o.v. The petition should be denied.

I.

General Poly argues that "[t]his case is a prime example of an appellate court that overlooked the limitations on its reviewing authority. . . . " Pet. 4. In fact, the court of appeals expressly recognized – and applied – such limitations. *See* Pet. App. A-12 to A-13 (stating standard of review); *id.* A-13 to A-31 (viewing evidence most favorably to General Poly, and concluding a reasonable jury could not find sufficient proof of fiduciary relationship).

General Poly attempts to provide its challenge with a constitutional, Seventh Amendment cloak. Pet. 4-5, 6. This issue has no merit, but in any event, it was not raised below, either in the district court or in the court of appeals. Indeed, neither the briefs nor the petition for rehearing filed by petitioner in the court of appeals even mentioned the Seventh Amendment.

In addition, General Poly cites no authority for its suggestion that the Seventh Amendment is implicated here – and no such authority exists. To the contrary, this Court has held that courts of appeals have the power to grant judgment n.o.v., and that the exercise of that power does not violate the Seventh Amendment. *Neely v. Martin K. Eby Constr. Co.*, 386 U.S. 317, 321-22 (1967).

General Poly's resort to this Court's supervisory powers, Pet. 4-6, is equally without merit. General Poly claims that courts of appeals "pay lip service to the limits on their reviewing authority," Pet. 5, and that their "professed respect for jury findings sometimes has been superficial." *Id.* Neither of these criticisms applies here, where the court of appeals expressly acknowledged and honored the "limits on [its] reviewing authority" and overturned the jury decision because the decision could not withstand scrutiny under Kansas law. Pet. App. A-12 to A-13, A-27 to A-31.

General Poly's true complaint is that in rejecting the fiduciary claim, the court of appeals engaged in an overly "strict scrutiny" of General Poly's evidence, "result[ing] in [a] heightened, federally-created evidentiary requirement." Pet. 6. Neither of these arguments is correct or warrants granting certiorari.

First, General Poly limits its challenge to only one component of the court of appeals ruling that no fiduciary relationship had been proven: the conscious assumption requirement. Pet. 6-9. In addition to this deficiency, the court of appeals also found no proof of three other elements required by Kansas law to prove a fiduciary relationship. *See* Pet. App. A-29 and *supra* at 5. A decision by this Court in General Poly's favor on the Kansas "conscious assumption" requirement, therefore, would have no effect – the court of appeals decision would still require reversal of the fiduciary duty verdict on these other grounds.[5]

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[5] In addition, the court of appeals decided only one of many issues Allied raised on appeal. If certiorari were granted,

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Second, General Poly's complaint concerning the court of appeals "strict scrutiny" of the evidence and purported "fact finding," Pet. 6, poses an ill-disguised factual issue, *i.e.*, whether General Poly proved a fiduciary relationship. Such an issue "does not merit Court review." *NLRB v. Hendricks County Rural Elec. Membership Coop.*, 454 U.S. 170, 176 n.8 (1981) (grant of writ on cross-petition was improvident because it presented primarily a question of fact).

Third, the court of appeals did *not* fashion a novel "federally created evidentiary requirement," Pet. 6, in its analysis of the record for proof of conscious assumption of a fiduciary relationship. Rather, it followed the Kansas Supreme Court's most recent synthesis of Kansas fiduciary law, *Denison State Bank v. Madeira*, 230 Kan. 684, 691-92, 640 P.2d 1235, 1241 (1982), and found, in several other Kansas decisions, confirmation of its interpretation of *Denison*. *See* Pet. App. A-28 to A-30. General Poly's real challenge is to the correctness of the Tenth Circuit's interpretation of Kansas law. *See also* Pet. 7-8 (arguing that the Tenth Circuit misread *Brown v. Foulks*, 232 Kan. 424, 657 P.2d 501 (1983); *Dugan v. First Nat'l Bank*, 227 Kan. 201, 606 P.2d 1009 (1980); *Wolf v. Brungardt*, 215 Kan. 272, 524 P.2d 726 (1974); *Lindholm v. Nelson*, 125 Kan. 223, 264 P. 50 (1928); *Paul v. North*, 191 Kan. 163, 380 P.2d 421 (1963)).[6] This Court does not review courts of appeals decisions

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some of those other issues would be available here as alternative independent grounds to support the judgment of the court of appeals. *See, e.g., Granfinanciera, S.A. v. Nordberg*, 109 S.Ct. 2782, 2788 (1989); *United States v. Arthur Young & Co.*, 465 U.S. 805, 814 n.12 (1984); *Blum v. Bacon*, 457 U.S. 132, 137 n.5 (1982). Moreover, any issues not resolved in this Court would remain open for resolution in the court of appeals.

[6] General Poly's authorities – one case and one law review article – reveal the state law nature of its argument. *See* Pet. 7

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on issues of state law absent exceptional circumstances – which are not present here. *Haring v. Prosise*, 462 U.S. 306, 314 n.8 (1983); *Ragan v. Merchants Transfer & Warehouse Co.*, 337 U.S. 530, 534 (1949); *Huddleston v. Dwyer*, 322 U.S. 232, 237 (1944). *See* R. Stern, E. Gressman & S. Shapiro, *Supreme Court Practice*, § 4.10, at 211-12 (6th ed. 1986).

Finally, the court of appeals interpretation and application of Kansas law was correct. The court of appeals relied on both *Denison* and numerous other Kansas cases, decided before and after *Denison*. Pet. App. A-9 to A-12, A-28 to A-30. In *Denison*, the Kansas Supreme Court itself reversed the denial of a motion for directed verdict on a fiduciary duty claim, holding that the record contained insufficient proof of two elements of a fiduciary relationship – conscious assumption and superiority. 230 Kan. at 696, 640 P.2d at 1243-44.[7] The court of appeals decision to set aside the verdict was fully consistent with *Denison* and the other Kansas cases on which the court of appeals relied.

II.

Invoking *Neely v. Martin K. Eby Constr. Co.*, 386 U.S. 317 (1967), and "a litigant's right to a trial by jury," Pet. 9,

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(citing *Roberts v. Sears, Roebuck & Co.*, 573 F.2d 976, 983-84 (7th Cir.), *cert. denied*, 439 U.S. 860 (1978); and Frankel, *Fiduciary Law*, 71 Calif. L. Rev. 795, 820-21 (1983)). Neither of these authorities purports to apply Kansas law and neither has any application here.

[7] General Poly asserts that the court of appeals disregarded the distinction in Kansas law between fiduciary relationships created by contract, and those implied in law. Pet. 8. To the contrary, the court of appeals specifically recognized the distinction, Pet. App. A-9, and expressly noted that, "[h]ere, as in *Denison*, it is the second type of fiduciary relationship with which we are concerned." *Id.* A-10.

General Poly argues that the court of appeals should have given the district court "the opportunity to reconsider the verdicts that it directed against General Poly. . . . " Pet. 11. This assertion is without merit, and in any event is unavailable on this record.

Neely addresses the right of a party against whom judgment n.o.v. is granted to request a new trial on *that* claim; it does not address the disposition of any other claims that the party may also have asserted. *Neely*, 386 U.S. at 323-24.[8] Thus, *Neely* has no application to the request made in the petition, *i.e.*, a request for a new trial on General Poly's claims for breach of contract, fraud, and conversion, as to which the district court directed a verdict and the Tenth Circuit affirmed (the "directed verdict claims"). Pet. App. A-31 to A-53.

Apart from this, General Poly's argument has no substantive validity under *Neely*. As to the Seventh Amendment claim, *Neely* expressly held that "there is no constitutional bar to an appellate court granting judgment n.o.v." 386 U.S. at 322. *Neely* also held that "the statutory grant of appellate jurisdiction to the courts of appeals is certainly broad enough to include the power to direct entry of judgment n.o.v. on appeal," *id.*; and that under Rule 50(d), Fed.R.Civ.P., "consideration of the new trial question 'in the first instance' is lodged with the court of appeals" and "there is nothing in Rule 50(d) indicating that the court of appeals may not direct entry of judgment n.o.v. in appropriate cases." 386 U.S. at 323.

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[8] The only other case on which General Poly relies, *Iacurci v. Lummus Co.*, 387 U.S. 86 (1967) (per curiam), cited at Pet. 10, also relates to a new trial request on a claim as to which judgment n.o.v. had been granted. 387 U.S. at 87-88. In *Iacurci*, this Court reversed the court of appeals denial of the motion for new trial, because the jury had answered only one of five special interrogatories. *Id.* The Court held that such omissions made it impossible for the court of appeals to predict how the jury would have resolved such issues. *Id.* at 88. No such uncertainty exists here.

Neely noted that in previous cases, the Court had affirmed a court of appeals decision reversing the trial court's failure to grant judgment n.o.v., and had itself directed that judgment n.o.v. be entered for a verdict loser. *See Neely*, 386 U.S. at 326 (citing *Pence v. United States*, 316 U.S. 332 (1942), and *New York, N.H. & H. R.R. v. Henagan*, 364 U.S. 441 (1960)). In post-*Neely* cases, the Court has not hesitated to order judgment n.o.v. for a defendant whose motion was erroneously denied below. *Brunswick Corp. v. Pueblo Bowl-O-Mat, Inc.*, 429 U.S. 477, 489-90 (1977); *United States v. Generes*, 405 U.S. 93, 106-07 (1972). Thus, this Court's precedents – before and after *Neely* – plainly establish that the court of appeals is fully empowered to deny a new trial where, as here, the plaintiff "suggested no grounds for a new trial in the event her judgment was reversed" and made no showing "that the record was insufficient to present any new trial issues or that any other reason required a remand" to the district court. *Id.* at 329-30.

Here, the court of appeals had before it an extensive record, which had been amassed over a period of five years and yet was still inadequate to meet the requirements of well-established Kansas law. General Poly made no showing in its petition for rehearing of any grounds upon which a new trial might be granted. The court of appeals decision was plainly correct, and in any event, was well within its discretion; on this question, General Poly has proffered no ground that would warrant granting certiorari.

Moreover, the question General Poly now seeks to raise is not available on this record. General Poly claims that it made the *Neely* request in the petition for rehearing. Pet. 11. In fact, the petition for rehearing contained no reference whatsoever to the Seventh Amendment. Beyond that, the petition for rehearing did not squarely request a new trial on the directed verdict claims; the new trial request made there related only to the fiduciary duty claim. If General Poly had intended to raise and pursue the question whether the district court's erroneous view of the fiduciary relationship claim somehow was a ground for a new trial on the directed verdict claims, then General Poly should have said so, either

in briefing its cross-appeal or in its petition for rehearing. Procedurally, the point is foreclosed here. *Breininger v. Sheet Metal Workers Local 6*, 110 S.Ct. 424, 441 (1989); *Delta Air Lines, Inc. v. August*, 450 U.S. 346, 362 (1981); *United States v. Lovasco*, 431 U.S. 783, 788 n.7 (1977).[9] Substantively, General Poly's request is wholly without merit. The directed verdict claims could not be revived merely because the fiduciary duty claim was invalid.

CONCLUSION

This case is totally and notably lacking in "cert-worthiness." The petition for certiorari should be denied.

Respectfully submitted,

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[9] *Neely* also requires that the *grounds* for the requested new trial be asserted below. *See* 386 U.S. at 330 (declining to consider argument for new trial based on evidentiary ruling, where error was not raised until petitioner's brief on the merits). General Poly's rehearing petition falls woefully short of this requirement: it advanced *no grounds* for a new trial.

APPENDIX

RULE 29.1 LISTING OF NON-WHOLLY-OWNED AFFILIATES OF ALLIED-SIGNAL INC.

ACE, Limited
AS Investerings (Partnership)
Allied-Apical Company (Partnership)
Allied-General Nuclear Services (Partnership)
Amoricaine de Fonderie Le Chatelet, S.A.
Asia Pacific Resin Corporation
Bendix Atlantic Inflator Company (Partnership)
Bendix Deutschland GmbH
Bendix Electronic Service Corporation de Espana, S.A.
Bendix Espana, S.A.
Bendix Europe, S.A.
Bendix Europe Services Technique S.A.
Bendix France, S.A.
Bendix Group Superannuation Pty., Ltd.
Bendix-Jidosha Kiki Corporation
Bendix Materiaux de Friction S.A.
Bendix Mexicana, S.A. de C.V.
Bendix Mintex Proprietary Limited
Bendix Otomotiv Sanayi Ve Ticaret, A.S.
Bendix Ricambi, S.p.A.
Bunker Ramo Electronic Data Systems S.A.
Coalition Remedial Efforts, Inc.
Compania Industrial de Fluorita, S.A.
Compania Metalurgica de Parral, S.A.
D.B.A. S.I.B.E., SNC (Partnership)
Doosan Electro-Materials Co., Ltd.
Dynamic Turbocharger Services Pty., Ltd. Queensland
Dynamic Turbocharger Services Pty., Ltd. Victoria
Ferranti plc
Ferranti-Bendix Power Generation Limited
FIAAM Filter S.p.A.
Financiere Allied-Signal S.A.
France Automobile Service, S.A.
Garrett Comtronics Licensing Corp.
Garrett Productos Automotrices S.A.
Garrett Turbo India, Ltd.
Globe Auto Electricals, Ltd.

RULE 29.1 LISTING OF NON-WHOLLY-OWNED AFFILIATES OF ALLIED-SIGNAL INC. – Continued

Hankuk Brake Industrial Co., Ltd.
Industrial Turbines International Inc.
International Robomation Intelligence Inc.
International Technigroup Inc.
International Turbine Engine Corporation
Japan Gasoline Co., Inc.
Jidosha Kiki Co., Ltd.
JSR Allied Corporation
Kalyani Brakes Limited
Kanto Seiatsu Kogyo Co., Ltd.
Leaseway All-Services, Inc.
Lucas Air-Equipment S.A.
Lucky Allied Plastics Corporation
Manbritt Industries, Inc.
Morton Bendix Company (Partnership)
Nikki-Universal Co., Ltd.
Nippon Amorphous Metals Co., Ltd.
Nirlon Synthetic Fibres and Chemicals, Ltd.
Nitto Boseki Company Ltd.
Nittobo-Norplex/Oak Co., Ltd.
Normalair Garrett (Holdings) Ltd.
Normalair Garrett, Ltd.
Norplex Oak India Limited
Oak/Mitsui Inc.
Paxon Polymer Corporation (Limited Partnership)
Prestolite of India Ltd.
Propelentes Mexicanos, S.A.
Quimobasicos, S.A.
Seo Han-Bendix Company Limited
Shanghai UOP-UCC Molecular Sieve Co., Ltd.
Sifra Industrie, S.A.
Sistemas Bendix de Seguridad S.A. de C.V.
Societe d'Etudes et de Constructions Aero-Navales [SECAN]
Synektron Corporation
TENSA, S.A.
Transpar Iberica, S.A.
Turbodina S.A.I.Y.C.

RULE 29.1 LISTING OF NON-WHOLLY-OWNED AFFILIATES OF ALLIED-SIGNAL INC. – Continued

Union Showa K.K.
Union Texas International Corporation
Union Texas Petroleum Holdings, Inc.
UOP (Partnership)
UOP Management Services (Saudi Arabia) Limited
USHA Amorphous Metals Ltd.